

## IMPARTIAL ANALYSIS BY COUNTY COUNSEL MEASURE F

The California Constitution provides that school districts may issue general obligation bonds for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, with the approval of 55% of the voters of the district, voting at an election for that purpose. The California Constitution further provides that the bond measure must include a requirement that the bond proceeds will be used only for the permitted purposes and other requirements designed to ensure accountability.

The Newport-Mesa Unified School District has proposed to the voters that general obligation bonds of the school district be issued in an amount up to \$282,000,000 and that ad valorem taxes be levied upon taxable property in the school district to repay the bonded indebtedness. The measure provides that proceeds from the sale of the bonds will generally be used to improve, renovate and construct school facilities benefiting the school district, including adding or renovating science classrooms and restrooms; renovating multipurpose rooms; adding and improving lighting; improving parking; renovating utilities, playfields and high school libraries; removal of hazardous materials; installing security devices; and construction of technology centers, performing arts facilities, a swimming pool complex, a gymnasium and a sports facility.

The measure provides that a citizens' oversight committee will be established to ensure that bond proceeds are properly expended. In addition, annual performance and financial audits will be conducted. The measure further provides that bond proceeds will not be used for teacher or administrator salaries or other school operating expenses.

Bonds will be issued under this measure only if the estimated tax rate for outstanding bonds issued under the school district's prior bond measure approved by the voters on June 6, 2000, Measure A, together with the tax rate for bonds authorized under this measure will not exceed the tax rate for outstanding Measure A bonds for fiscal year 2005-2006.

The Board of Education of the Newport-Mesa Unified School District has called the election for the purpose of submitting the measure to the voters within the school district. If 55% of the voters of the school district voting on the measure vote yes and the combined tax rates do not exceed the tax rate for outstanding Measure A bonds for fiscal year 2005-2006, the school district may proceed to sell the bonds and levy the related taxes as estimated in the Tax Rate Statement. A no vote on this measure will disapprove the issuance of the bonds and the levy of the taxes for such bonded indebtedness.

Approval of Measure F does not guarantee that the proposed project or projects in the school district that are the subject of bonds under Measure F will be funded beyond the local revenues generated by Measure F. The school district's proposal for the project or projects may assume the receipt of matching State funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

**The above statement is an impartial analysis of Measure F. If you desire a copy of the measure, please call the Orange County Registrar of Voters at (714) 567-7600 or the Newport-Mesa Unified School District at (714) 424-5031 and a copy will be mailed at no cost to you. Measure F is also available on the Internet at <http://www.nmusd.k12.ca.us>.**

## TAX RATE STATEMENT MEASURE F

### NEWPORT-MESA UNIFIED SCHOOL DISTRICT

An election will be held in the Newport-Mesa Unified School District (the "District") in Orange County on November 8, 2005, to authorize the sale of up to \$282,000,000 in bonds of the District to finance school facilities as described in the proposition. If the bonds are approved, the District expects to sell the bonds in several series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.00474 per \$100 (\$4.74 per \$100,000) of assessed valuation in fiscal year 2006-07.

2. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.01177 per \$100 (\$11.77 per \$100,000) of assessed valuation in fiscal year 2019-2020.

3. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is \$0.02160 per \$100 (\$21.60 per \$100,000) of assessed valuation in fiscal year 2030-31.

Based on the tax rates estimated above, the average annual tax over the life of the bonds would be \$15.18 per \$100,000 of assessed valuation. The combined annual tax for these bonds and the District's Measure A bonds approved by voters on June 6, 2000, is expected to be no higher than the tax rate to be levied in 2005-06 for the repayment of the Measure A bonds.

Voters should note that these estimated tax rates are based on the *assessed value* of taxable property in the District as shown on the official tax roll of the county, not on the property's market value. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Certain taxpayers may also be eligible to postpone the payment of taxes. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The estimates are based upon the District's projections and are not binding upon the District. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on the need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

s/ Robert J. Barbot, Ed.D.  
Superintendent  
Newport-Mesa Unified School District

## ACCOUNTABILITY SAFEGUARDS

If Measure F is approved, the Board of Education of the Newport-Mesa Unified School District will appoint a citizens' oversight committee and conduct annual independent audits to assure that bond funds are spent only on the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and for no other purposes.

Approval of Measure F does not guarantee that the proposed project or projects in the Newport-Mesa Unified School District that are the subject of bonds under Measure F will be funded beyond the local revenues generated by Measure F. The District's proposal for the project or projects assumes the receipt of matching State funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

## ARGUMENT IN FAVOR OF MEASURE F

Thanks to the support of our communities, bond funds have made it possible to address the most urgent repair and renovation needs of our schools.

Our students are benefiting from improved health and safety conditions and learning environments. Each school has renovated aging classrooms, upgraded and replaced old heating, electrical and plumbing systems, and replaced deteriorating roofs.

During the last five years, local school facilities have improved. Bond funds have been managed judiciously. As a result, the first phase of projects to rebuild our neighborhood schools will be completed on time and on budget.

More improvements are needed to complete the work of providing our students with the quality educational facilities they need today and for the future.

Measure F will provide the funds to complete this job.

### **Measure F will not raise property tax rates.**

Measure F will:

- Improve/expand school libraries and increase access to technology
- Replace seismically unsafe buildings and complete upgrading of school site safety conditions;
- Provide laboratory classrooms for hands-on science instruction in grades Kindergarten-6;
- Reconfigure campuses to separate middle and high school students; and
- Construct and reconstruct classrooms and other facilities to meet increasing educational standards.

By extending current tax rates being paid for previously approved school bonds, \$282 million will be authorized for local school improvements **without raising existing annual property tax rates.**

An Independent Citizens' Oversight Committee will continue to monitor construction projects to guarantee that funds are well spent, benefiting all schools and students of the District, with no tax rate increase for local residents. Measure F funds cannot be used for teacher or administrator salaries.

Join us in voting Yes on Measure F. It's a sound investment in our local schools and students and will help to maintain strong property values and the quality of our communities.

s/ Marian Bergeson, Parent/Grandparent/Former California Secretary of Education

s/ Henry S. "Hank" Panian, Retired Teacher

s/ Mary Hornbuckle, Former Mayor of Costa Mesa

s/ Scott Paulsen, President Newport-Mesa Schools Foundation/Retired Principal

s/ Michele Graham, Parent/President Harbor Council PTA

**No argument against this measure was submitted.**